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CIRCUIT COURT OF OREGON
JACKSON COUNTY

IN THE MATTER OF:

ASHLAND NATURAL MEDICINE,
and
JOHN CHLEBOWSKI, ND, DC

Case No.
ASSURANCE OF VOLUNTARY
COMPLIANCE

1.

Ashland Natural Medicine and John Chlebowski, ND, DC do business in Oregon. Ashland Natural Medicine and John Chlebowski ND, DC are the respondents herein. This agreement is between respondents and the Oregon Department of Justice (DOJ) acting pursuant to ORS 646.632.

PROCEDURE

2.

This Assurance of Voluntary Compliance (AVC) is a settlement of a disputed matter. It shall not be considered an admission of a violation for any purpose. Respondents and DOJ agree that no provision of the AVC operates as a penalty, forfeiture, or punishment under the Constitution of the United States, under the Constitution of the State of Oregon, or under any other provision of law.

3.

Respondents waive receipt of a notice from the State of Oregon pursuant to ORS 646.632(2) of the alleged unlawful trade practice and the relief to be sought.

4.

1 Respondents understand and agree this AVC applies to respondents, their principals,
2 officers, directors, agents, employees, representatives, successors and assigns, jointly and
3 severally, while acting personally, or through any corporation or other business entities, whose
4 acts, practices or policies are directed, formulated or controlled by respondents.

5 5.

6 Respondents and respondents' attorney agree and understand that following acceptance
7 of the AVC by DOJ, DOJ may communicate directly with respondent for the purpose of
8 executing and enforcing the terms of this agreement, resolving future complaints, and
9 conducting undercover investigations of respondents. Respondents' acceptance of the AVC does
10 not constitute waiver of any legal or constitutional right, including representation by counsel.

11 6.

12 Respondents understand and agree that if this AVC is accepted by DOJ, it will be
13 submitted to the Circuit Court of the State of Oregon for Jackson County for approval, and, if
14 approved, will be filed with the court pursuant to ORS 646.632(2).

15 7.

16 Respondents waive any further notice of submission to and filing with the court of this
17 AVC. Respondents agree to accept service of a conformed or court certified copy by prepaid
18 first class mail sent to the addresses following their respective signatures.

19 8.

20 Respondents understand that, in addition to any other sanctions which may be imposed
21 under this AVC or under the law, violation of any of the terms of this AVC may result in
22 contempt of court proceedings, civil penalties of up to \$25,000 for each violation, and such
23 further relief as the court may deem appropriate. ORS 646.632(4), ORS 646.642(1) and ORS
24 646.642(2).

25 9.

1 The parties acknowledge that no other promises, representations or agreements of any
2 nature have been made or entered into by the parties. The parties further acknowledge that this
3 AVC constitutes a single and entire agreement that is not severable or divisible, except that if
4 any provision herein is found to be legally insufficient or unenforceable, the remaining
5 provisions shall continue in full force and effect.

6 **REMEDIES**

7 10.

8 Respondents shall obey Oregon's Unlawful Trade Practices Act, ORS 646.605 to ORS
9 646.656.

10 11.

11 Respondents shall not represent or imply that DOJ acquiesces or approves of
12 respondents' past business practices, current efforts to reform their practices, or any future
13 practices which respondents may adopt or consider adopting. DOJ's decision to settle this
14 matter or to otherwise unilaterally limit current or future enforcement action does not constitute
15 approval or imply authorization for any past, present, or future business practice. Respondents'
16 decision to settle this matter shall not be consider an admission of a violation for any purpose.

17 12.

18 Effective immediately upon execution by respondents of this AVC, respondents agree to
19 adhere to each of the following requirements:

20 A. Respondents shall not make any promotional claim regarding any product that
21 refers or relates to coronavirus or COVID-19 unless that claim has been expressly approved by
22 the United States Food and Drug Administration (FDA).

23 B. Respondents shall not make any representation that relates to coronavirus or
24 COVID-19 in connection with the advertising, promotion, offering for sale, sale, or distribution
25 of Dietary Supplements (hereinafter "supplements") regarding such supplement's efficacy,
26 performance, safety, or benefits, in its product labeling, packaging, advertising, or promotional

1 statements or materials unless, at the time the representation is made, respondents possess and
2 rely upon competent and reliable scientific evidence that substantiates the representation.
3 "Competent and reliable scientific evidence" shall mean tests, analysis, research, studies, or
4 other evidence based on the expertise of professionals in the relevant area, that have been
5 conducted and evaluated in an objective manner by persons qualified to do so, using procedures
6 generally accepted in the profession to yield accurate and reliable results.

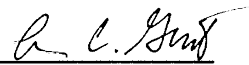
7 C. Respondents shall not make any express or implied representation, statement, or
8 claim relating to coronavirus or COVID-19 in connection with the marketing or advertising of
9 any supplement, that a supplement may be used in the diagnosis, cure, mitigation, treatment, or
10 prevention of a disease in humans unless the representation, statement or claim is (1) lawful
11 under the Federal Food, Drug, and Cosmetic Act, (2) lawful under any final regulation
12 promulgated by the Food and Drug Administration, or (3) specifically permitted in labeling for
13 such product by regulations promulgated by the Food and Drug Administration pursuant to the
14 Nutrition Labeling and Education Act of 1990.

15
16 **APPROVAL BY COURT**

17 APPROVED FOR FILING and SO ORDERED this ___ day of
18 June, 2020.

Signed: 6/23/2020 12:31 PM

19
20 _____
Circuit Court Judge



Circuit Court Judge Lisa Greif

21 **REVIEW BY RESPONDENTS' ATTORNEY**

22 Approved as to form.

23
24 _____
25 *Lidia Matsum*

Attorney for Respondents

26 **RESPONDENTS' SIGNATURES AND ACKNOWLEDGMENTS**

1 Respondents have read and understand this agreement and each of its terms.
2 Respondents agree to each and every term.

3 Individual Respondent

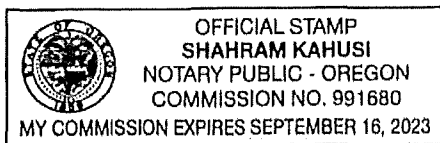
4 X

CC, DC, ND

5 JOHN C. CHLEBOWSKI
6 Print Name

7 Address 394 Beach St.
8 Ashland, OR 97520

9 SUBSCRIBED AND SWORN to before me this 22 day of
10 June, 2020.



11 *Shahram Kahusi*
12 Notary Public for Oregon

13 Corporate Respondent

14 I, John C. Chlebowski, being first duly sworn on oath depose and say that I am the
15 PRESIDENT of Ashland Natural Medicine and am fully authorized and
empowered to sign this Assurance of Voluntary Compliance on behalf of Ashland Natural Medicine
16 and bind the same to the terms hereof.

17 X

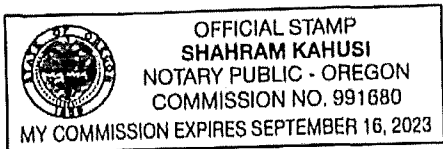
CC, DC, ND

18 JOHN C. CHLEBOWSKI
19 Print Name

20 PRESIDENT
21 Title

22 Address 180 Lithia Way 103
Ashland, OR 97520

23 SUBSCRIBED AND SWORN to before me this 22 day of
24 June, 2020.

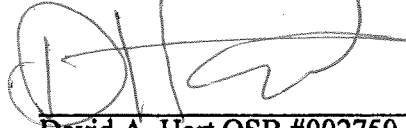


25 *Shahram Kahusi*
26 Notary Public for Oregon

ACCEPTANCE OF DOJ

Accepted this ²²22 day of June, 2020.

ELLEN F. ROSENBLUM
Attorney General



David A. Hart OSB #002750
Assistant Attorney General
Department of Justice
Of Attorneys for Plaintiff
Financial Fraud/Consumer Protection Section
1515 SW Fifth Ave, Suite 410
Portland, OR 97201
Phone: (971) 673-1880
Fax: (971) 673-1884
Email: david.hart@doj.state.or.us

CERTIFICATE OF READINESS

This proposed Assurance of Voluntary Compliance is ready for judicial signature

because:

1. [X] Each opposing party affected by this order has stipulated to the order, as shown by each opposing party's signature on the document being submitted.

2. [] Each opposing party affected by this order has approved the order, as shown by signature on the document being submitted or by written confirmation of approval sent to me.

3. [] I have served a copy of this order on all parties entitled to service and provided written notice, and:

a. [] No objection has been served on me.

b. [] I received objections that I could not resolve with the opposing party despite reasonable efforts to do so. I have filed with the court a copy of the objections I received and indicated which objections remain unresolved.

c. [] After conferring about objections, [role and name of opposing party] agreed to file any remaining objection with the court by [date], which predated my submission.

4. [] The relief sought is against an opposing party who has been found in default.

5. [] An order of default is being requested with this proposed judgment.

6. [] Service is not required by statute, rule, or otherwise.

DATED June 23, 2020.

/s/ David A. Hart
DAVID A. HART, OSB#002750
Assistant Attorney General
Oregon Department of Justice
100 SW Market Street
Portland, OR 97201
Phone: (971) 673-1880
Fax: (971) 673-1888
Email: David.hart@doj.state.or.us